

Message Text

CONFIDENTIAL

PAGE 01 BEIRUT 01055 111301Z
ACTION NEA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06
AID-05 COME-00 EB-08 FRB-03 TRSE-00 XMB-02 OPIC-03
LAB-04 SIL-01 OMB-01 /083 W
-----111346Z 124378 /47

R 111014Z MAR 77
FM AMEMBASSY BEIRUT
TO SECSTATE WASHDC 3294

C O N F I D E N T I A L BEIRUT 1055

E.O. 11652: GDS
TAGS: EFIN, LE
SUBJECT: LOANS TO DAMAGED ENTERPRISES

1. BEGIN UNCLASSIFIED. THE CENTRAL BANK ISSUED A CIRCULAR ON MAR 4 PROVIDING FOR LOANS TO DAMAGED ENTERPRISES UNABLE TO OBTAIN CAPITAL THROUGH OTHER MEANS. UNDER THE TERMS OF THIS CIRCULAR, A COMMERCIAL BANK MAKES A PROPOSAL FOR A LOAN TO AN ENTERPRISE. THE CENTRAL BANK, IF IT APPROVES THE PROPOSAL, LOANS THE COMMERCIAL BANK 35 PERCENT OF THE SUM DESTINED FOR THE ENTERPRISE. THE COMMERCIAL BANK MUST COME UP WITH THE REMAINING 65 PERCENT AND ASSUME THE RISK FOR THE ENTIRE LOAN. THE LOANS ARE FOR FIVE YEARS BEGINNING IN 1977 AND RUNNING UNTIL 1981. INTEREST IS FIVE PERCENT FOR THE FIRST YEAR, TO BE RESET ANNUALLY EVERY YEAR THEREAFTER. THE CENTRAL BANK LOOKS TO THE COMMERCIAL BANK TO GET ALL THE MONEY BACK. END UNCLASSIFIED.

2. BEGIN CONFIDENTIAL LOCAL BANK SOURCES HAVE BEEN CRITICAL OF THIS LOAN PROGRAM. THEY SAY THAT COMMERCIAL BANKS ARE NOT PREPARED TO PUT UP 65 PERCENT. FOR THE MAJOR INTERNATIONAL BANKS, THE MONEY IS NOT ATTRACTIVE SINCE THEY CAN ALREADY GET FUNDS AT ALMOST THE SAME PRICE; FOR THE LEBANESE BANKS WHO CANNOT GET MONEY SO CHEAPLY, THE RISK IS TOO GREAT, ACCORDING TO THE SAME SOURCES. END CONFIDENTIAL.
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PARKER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CENTRAL BANK, CONSTRUCTION, LOANS, BUILDING DAMAGE
Control Number: n/a
Copy: SINGLE
Sent Date: 11-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BEIRUT01055
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770084-0757
Format: TEL
From: BEIRUT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770371/aaaacjzo.tel
Line Count: 56
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 59e13dba-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 22-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3143675
Secure: OPEN
Status: NATIVE
Subject: LOANS TO DAMAGED ENTERPRISES
TAGS: EFIN, LE
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/59e13dba-c288-dd11-92da-001cc4696bcc
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